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DIV. OF OIL, GAS & MINING

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Denison Mines (USA) Corp. 1050 17th Street, Suite 950 Denver, CO 80265 USA

Tel: 303 628-7798 Fax: 303 389-4125

www.denisonmines.com

April 10, 2009

Mr. Tom Munson Utah Division of Oil Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

Re: Rim Columbus Inspection Report Response (M/037/0006) Revised

Dear Mr. Munson:

Denison Mines (USA) Corp. received your inspection report dated August 5, 2008 (inspection conducted on July 30, 2008) on August 22, 2008 and provided a response on January 22, 2009. In an email from the US Bureau of Land Management (BLM) dated March 13, 2009 indicated a need to add additional acreage to the bond. In a phone conversation with you on April 7, 2009 you indicated that \$4300.00 per acre was a good number to use for reclamation (prior to escalation). I have used this number and provided an explanation to the BLM and yourself (enclosed copy of BLM letter). In addition, some minor modifications to the figures were made and new figures are also enclosed.

This additional money would raise the bond from \$74,200 to \$112,668. Your review and approval are requested in conjunction with the BLM.

Please let me know if you have any questions or concerns. I can be reached at 303.389.4136.

Yours very truly,

DENISON MINES (USA) CORP.

Christy Woodward, PE Environmental Coordinator

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Enclosure.



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April 9, 2009

Mr. Ted McDougal US Bureau of Land Management Monticello Field Office 365 North Main Street Monticello, Utah 84535

Re: Rim Columbus Plan of Operations Amendment (UTU-68061 [UT-069])

Dear Mr. McDougal:

International Uranium (USA) Corporation ("IUC") acquired the Rim-Columbus Mine in 1994. In the Notice of Intent to Transfer the permit, IUC assumed 13 acres of existing disturbed area, however 17 acres were identified as allowable disturbance. The reclamation contract with the Utah Division of Oil, Gas and Mining ("UDOGM") also accounts for 13 acres of disturbance under bond; however, the bond paperwork found for the Rim Mine assumes 12 acres of seeding for disturbed areas. IUC acquired the assets of Denison Mines (USA) Corp. ("Denison") in 2006; the name of the consolidated entity was changed to Denison Mines Corp. Denison Mines (USA) Corp. is the operator and permit holder for Denison Mines Corp.

In a letter from UDOGM dated August 21, 1997, IUC sought approval to use the top of the Humbug waste dump as a temporary ore stockpile area and the letter notes "... The approved permit did not include utilizing these portals for ore removal or placing additional waste rock on the mine dumps. Reclamation of these four acres as described in the permit includes closure or sealing of the portals and seeding the affected areas. The pre-law angle of repose waste dumps was not required to be re-graded or top soiled at final reclamation."

On June 20, 1997, UDOGM approved an amendment to the permit which provides "The amendment describes the use of 1.6 acres of previously disturbed area for stockpiling ore and waste rock placement. This amendment does not increase the "permit disturbed area" but changes the proposed use of portions of the four acre area.

Previous maps and bonding for the Rim-Columbus mine allowed for three buildings to be located at the Rim Mine site. These three buildings were repaired and/or reconstructed on their original footprint in 2008. A fourth building was placed on the existing disturbed area at the Humbug Portal; the additional building was not previously in the reclamation bond. In addition, an existing (pre-law) 20-inch vent hole was not previously used by the Operator and was not bonded by the current Operator; however, in 2008, this 20-inch hole was converted to a power drop and is being used by the current Operator.

Aerial topographic surveying of the Rim-Columbus mine site was completed in 2008, and updated maps are provided in Attachment A. When the maps were updated, the disturbed areas on the maps were also slightly changed. Additional acreage (0.1 acre) for the Columbus Portal (not previously accounted for and currently used for ventilation and as an emergency escape way) and the power drop (0.1 acre) were also included. Also a slight acreage change was created by the increased quality of the mapping. This accounts for a new disturbed acreage of 15 acres, 3.0 acres greater than the previously bonded 12 acres for reseeding. The proposed disturbed acreage was calculated as follows:

Proposed Disturbed Acreage at Rim-Columbus Mine

Mine Facility	Acreage
Humbug Portal Area	2.7
Rim Shaft	12.1
Columbus Portal	0.1
Power Drop	0.1
Total	15.0 Acres

Although the bonded acreage has changed, it should be noted that the additional acreage is largely due to increased quality in mapping and accumulation of responsibility for acreage from *existing disturbances* (emphasis added).

This letter serves as an amendment to the Plan of Operations for the Rim-Columbus mine to account for this building and power drop. In addition, updated maps and disturbed acreages (see table on map) (Attachment A), photographic documentation (Attachment B) and an updated cost estimate (Attachment C) are provided.

Finally, Denison would like to request clarification on the appropriate seed mix for use at the Rim-Columbus Mine. I have searched our records, and the most current seed mix I have found is dated 1976 and is as follows:

Revegetation Plan and Schedule from 1976 Notice of Intent for Mining (UDOGM)

Species	Rate/Acre	Planting Location	Facing N-S-E-W	Season to be replanted
Crested Wheatgrass	1#/acre	At all locations	Predominantly W	Fall
Intermediate "	4	**	44	"
Yellow Sweet clover	1	44	44	"
Fourwing saltbush	1	"	44	"
Smooth Brome	4	**	44	"

Any assistance you can provide in updating or supporting this seed mix for all mine site areas would be greatly appreciated.

Please let me know if you have any questions or concerns. I can be reached at 303.389.4136.

Yours very truly,

DENISON MINES (USA) CORP.

Christy Woodward, PE Environmental Coordinator

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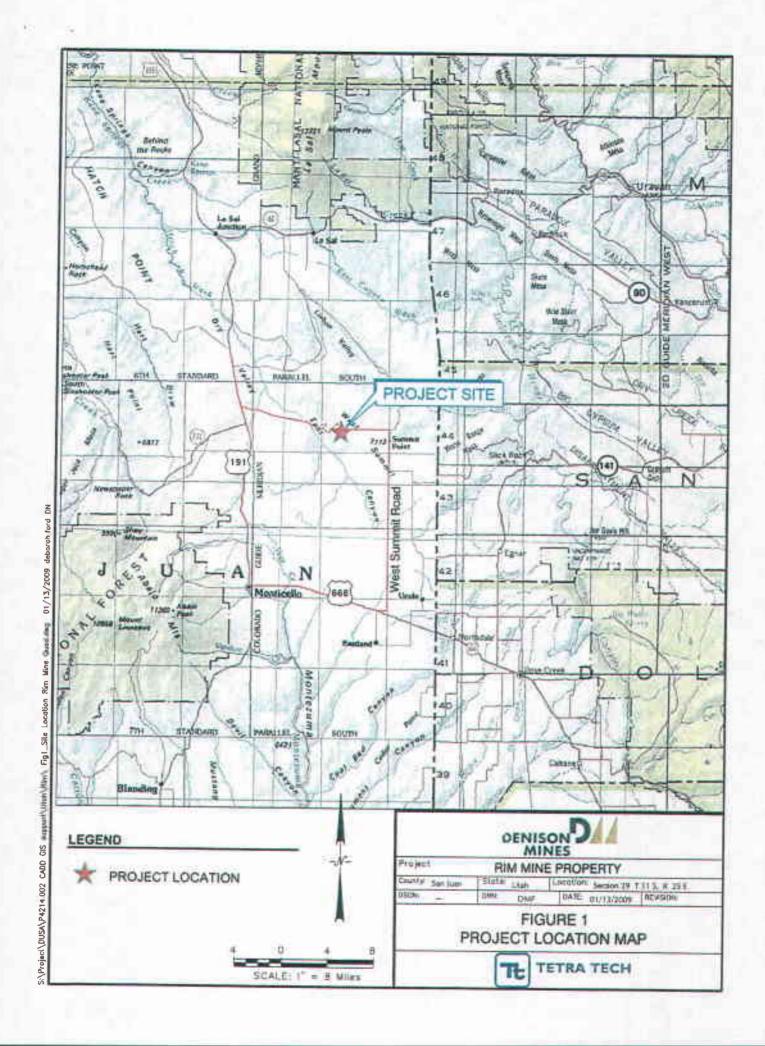
Cc: Denison Mines (USA) Corp., File

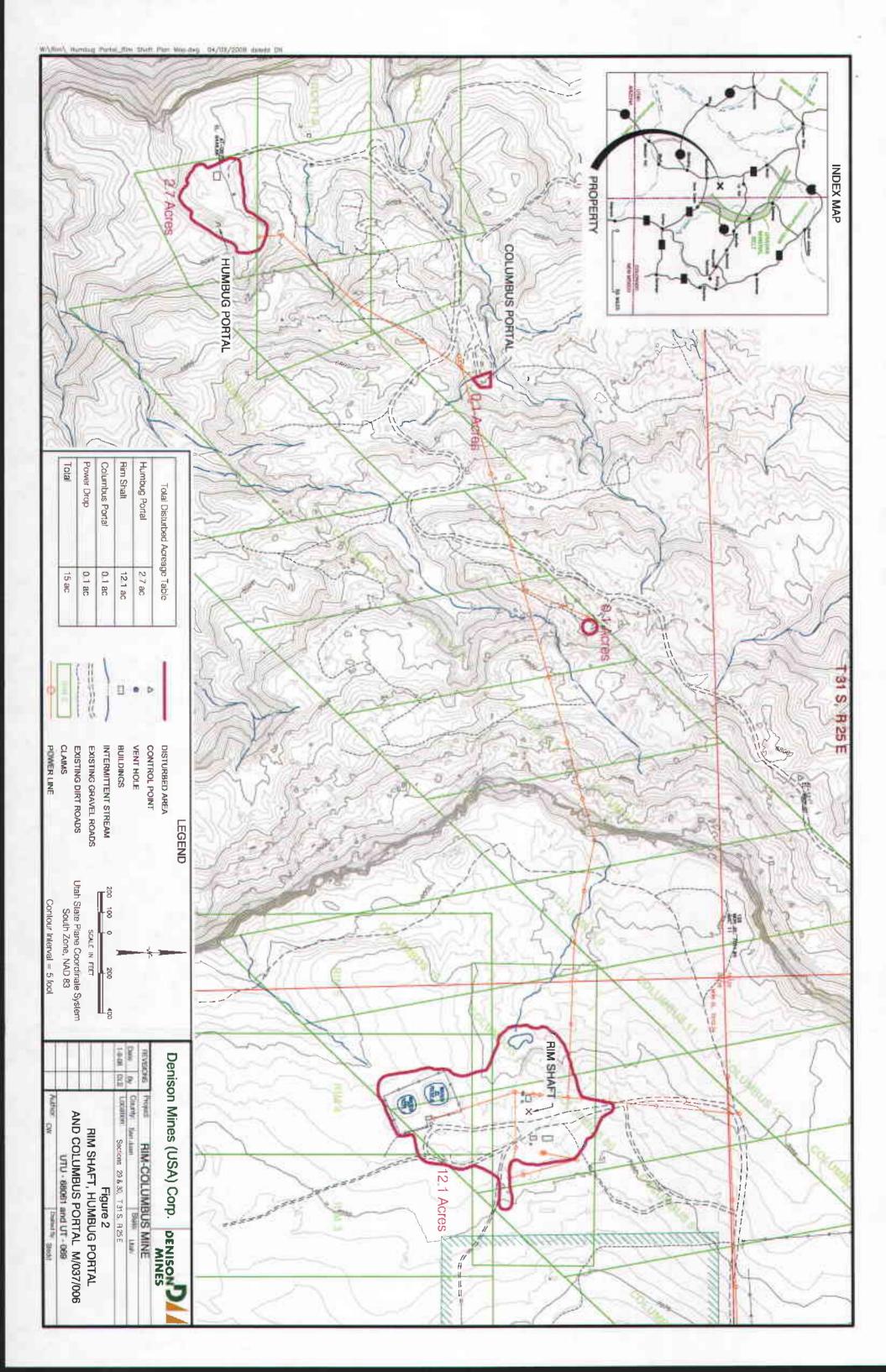
Terry Wetz and Phil Buck, Denison Mines (USA) Corp.

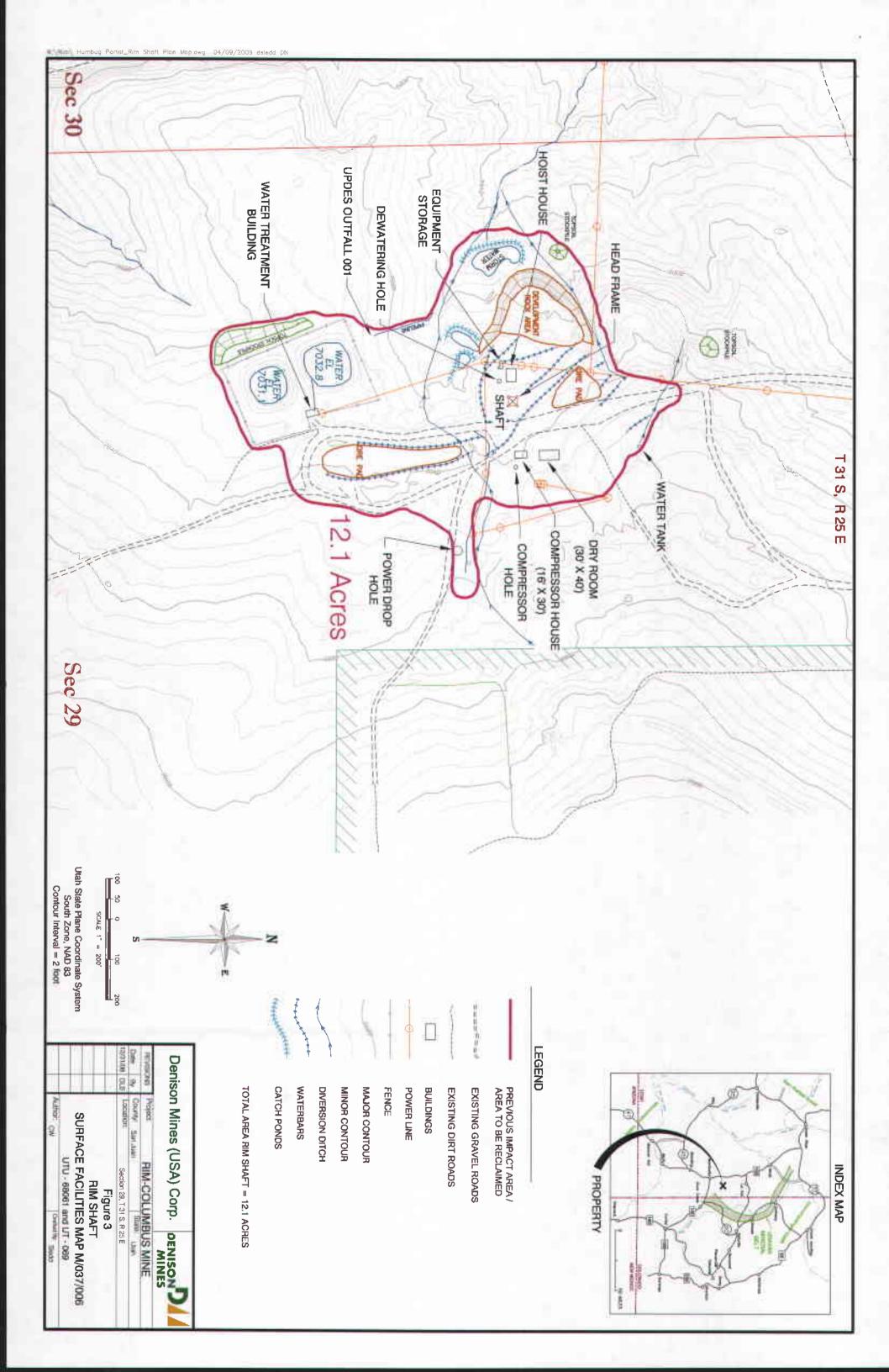
Tom Munson, Utah Division of Oil, Gas and Mining

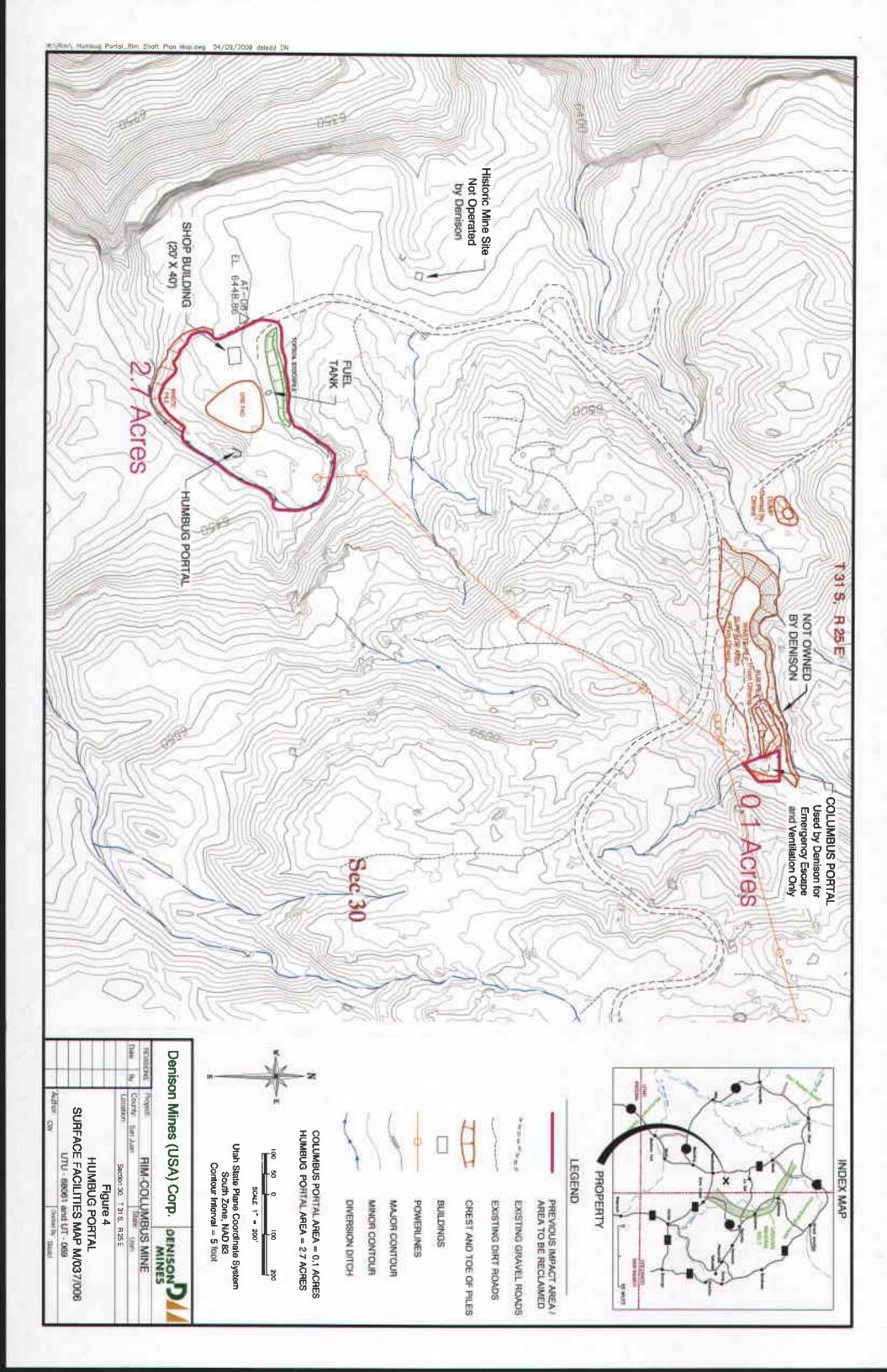


ATTACHMENT A UPDATED MAPS









ATTACHMENT B PHOTOGRAPHIC DOCUMENTATION

Denison Mines (USA) Corp. Rim/Columbus Photographic Log October 27, 2008

Photo 1: Photograph of temporary sediment pond at the toe of the Rim waste rock area.



Photo 2: Photograph of ditch at toe of waste rock area. Ditch leads to temporary sediment pond.



Denison Mines (USA) Corp. Rim/Columbus Photographic Log October 27, 2008

Photo 3:
Photo of two
newly
painted
buildings at
the Rim
Shaft.
Buildings are
on existing
foundations
and included
in bond
estimate.

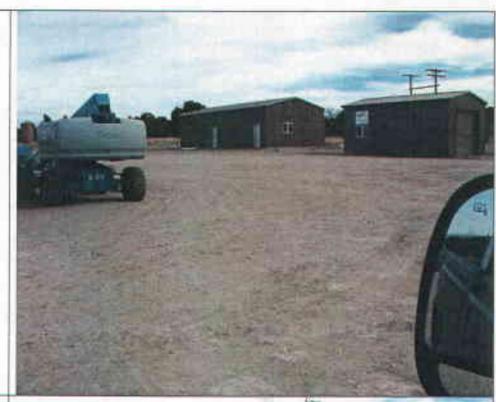
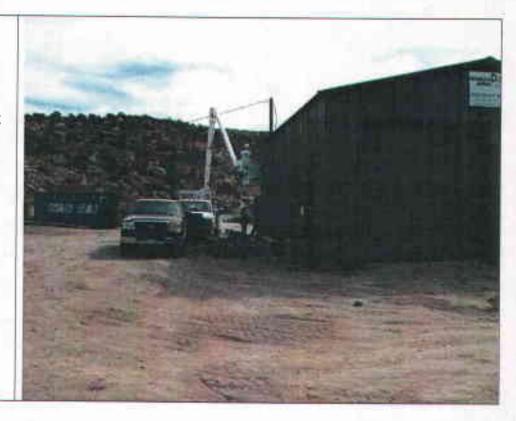


Photo 4: Photo of the two new buildings at the Rim Shaft.



Denison Mines (USA) Corp. Rim/Columbus Photographic Log October 27, 2008

Photo 5: Picture of newly painted building at the Humbug Portal.



ATTACHMENT C UPDATED COST ESTIMATE



Rim Bond Increase

Building/Structure Demolition								
Building/Structure	Length	Width	As- Built Area	Height	Volume	Building Leveling Cost	On-Site Disposal Unit Cost (a)	Estimated Cost (b)
	(ft)	(ft)	(sq.ft)	(ft)	(cy)	(\$/building)	(\$/cy)	(\$)
Maintenance Building	40	20	800	12	355.56	\$5,000	\$7.75	\$5,919

Concrete Pads, Foundations and Walls								
Building/Structure	Length	Width	As- Built Area	Pad Thickness	Volume	Break Concrete Unit Cost	On-Site Disposal Unit Cost	Estimated Cost (c)
	(ft)	(ft)	(sq.ft)	(in)	(cy)	(\$/cy)	(\$/cy)	(\$)
Maintenance Building	40	20	800	6	14.8	\$118.00	\$7.75	\$1,855

Power Drop Reclamation				
Building/Structure	Task Hours	Direct Cost		
Power Drop Sealing (e) Replace topsoil on pad, rip compaction and revegetation (e)	2	\$200		

Reclamation of Additional 3.0 Acres		
Grading, seeding, scarifying additional 3.0 acres (\$4,300/acre) (d)	3.0	\$12,900

Item	Cost Estimate
Building/Structure Demolition	\$5,919
Concrete Pads, Foundations and Walls	\$1,855
Power Drop Reclamation	\$200
Reclamation of Additional 3.0 Acres	\$12,900
Subtotal	\$20,874
Contingency (10%)	\$2,087
Escalation, 5 years (e)	\$38,468
Existing Reclamation Cost	\$74,200
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Total for Site Reclamation	\$112,668

Notes:

(a) The volume of demolished materials was estimated to be 1/3 of the intact, in place volume of the building or structure.

- (b) The estimated cost includes building leveling and on-site disposal costs.
- (c) The estimated cost includes concrete break-up and on-site disposal costs.
- (d) Non-escalated cost of seeding per acre provided in phone conversation with Tom Munson, UDOGM (4.7.2009)
- (e) Based on an escalation rate of 3.5%
- (f) Estimate is based on typical industry knowledge.

Building Leveling Cost:

Building leveling charges: \$5,000 per building

Quote from: Kirk, Jackson, Jackson Excavation (435.691.8927)

Quote provided 5-16-2008

Add for disposal, on site = Crew B-11A, 232 cy/day, \$7.75

Section 03055 110 Selective Concrete Demolition (pg. 136):

0060: Break up into small pieces, Average reinforcing

= Crew B-9, 16 cy/day, \$118.00/cy

Section 02220 130 Bldg. Footings and Foundations Demolition (pg. 25)

4200: Add for disposal, on site

= Crew B-11A, 232 cy/day, \$7.75/cy

Primary Reference: 2006 RS Means Heavy Construction Cost Data, 20th Annual Edition, Kingston, MA.